

# INTERNATIONAL EGG AND POULTRY REVIEW



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#### Review of Highly Pathogenic Avian Influenza H5N1 in 2007

The timeline for the current spread of H5N1 began in December 2003 when South Korea reported its first outbreak of H5N1. Since that time, 61 countries in Asia, Europe and Africa reported HPAI (H5N1) in domestic poultry/wildlife. Of those 61 countries, 47 had outbreaks in poultry. In 2007, 30 countries reported outbreaks in domestic poultry/wildlife. The number of reports was particularly high between January and April 2007, mainly in Asia and Africa. The number of cases slowed from May through September, and then rose again in November when 12 countries reported outbreaks. Most of the confirmed outbreaks have been in domestic poultry (chickens, ducks, geese, turkeys and quails).

A preliminary global analysis of HPAI (H5N1) situation between January and December 2007 indicated few outbreaks and fewer infected countries compared to the same period in 2006. Improved disease surveillance and increased awareness have allowed countries to better detect and control the disease.

# Number of Countries Infected in 2006 and 2007\*

Continent	2006	2007
Africa	9	5 (2)
Asia/Middle East	22	17 (14)
Europe	23	8 (8)
*as of December 10, 2007		. ,

() countries declaring infection in both 2006 and 2007

The first outbreak in poultry in Europe was reported in July, 2005 and Africa's first outbreak was reported in February 2006. In 2006, numerous countries detected H5N1 in domestic poultry and/or wild birds for the first time. In 2007, only five countries reported outbreaks for the first time: Bangladesh, Benin, Ghana, Saudi Arabia and Togo. Viet Nam and Bangladesh continue to report multiple outbreaks from several provinces and HPAI (H5N1) is considered endemic in Egypt and possibly in Nigeria.

# Countries Reporting H5N1 Avian Influenza in Domestic Poultry 2003-2008 and Number of Outbreaks

Country	No.	Country	No.	Country	No.	Country	No.
Afghanistan	22	Djibouti	1	Kazakhstan	1	Russia	146
Albania	3	Egypt	341	Korea	26	Saudi Arabia	a 5
Azerbaijan	2	France	1	Kuwait	20	***Serbia	1
Bangladesh	64	Germany	5	Laos	9	Sudan	18
Benin	5	Ghana	6	Malaysia	16	Sweden	1
Burkina Faso	4	Hungary	9	Myanmar	93	Thailand	1,137
Cambodia	20	India	8	Niger	2	Togo	3
Cameroon	1	Indonesia	261	Nigeria	60	Turkey	212
China	89	Iraq	3	Pakistan	44	Ukraine	40
Cote d'Ivoire	4	Israel	10	*PAT	8	**UK	3
Czech	4	Japan	9	Poland	8	Viet Nam	2,432
Denmark	1	Jordan	1	Romania	163		

<sup>\*</sup>PAT Palestinian Autonomous Territories

Countries self-declaring freedom for HPAI or submitting a final report indication resolution of H5N1 in domestic poultry totaled nine in 2006 and twelve in 2007.

Source: World Health Organization; United Nations Food and Agriculture Organization; World Organization for Animal Health

# **Chile Poultry Production**

The poultry industry in Chile grew dramatically over the past two decades. Poultry meat for domestic consumption grew over 200 percent, reaching a per capita consumption of almost 34 KG by 2006. Poultry meat is now the main source of animal protein in the domestic market. The industry invested heavily to modernize productive systems, introducing state of the art technologies and providing direct and indirect employment to over 20,000 workers.

Exports totaled US\$13.6 million in 1991, and by 2006 exceeded US\$150 million. Presently, Chile exports poultry products to 26 different countries. In 2007 the Russian and the U.S. markets opened for the Chilean poultry industry. Chile can export poultry products to the United States starting Dec. 3 of 2007 and presently has a yearly duty free quota of 8,400 metric tons. Exports to the US are expected to begin in 2008 and are expected to reach 12,000 MT in 2010, mainly of raw chicken breasts, according to the industry estimates. These are based on its actual and future production capacity and its decision of maintaining an increasing presence in the export market. The industry expects the U.S. to become the most important export market for Chilean poultry products in 2013.

Chile - Production, Trade and Consumption of Poultry (In Metric Tons)

Year	Production	Exports	Imports	Consumption
2004	446,233	45,520	9,244	409,957
2005	456,689	59,915	13,456	410,229
2006	517,048	63,535	18,296	471,809
2007 e	484,952	35,782	25,735	474,905
2008 p	532,767	58,520	29,187	503,434
2009 p	557,875	69,750	35,025	523,150
2010 p	597,264	83,580	40,279	553,963

Notes: e=estimated, p=projected All imports are from Argentina

The smaller production and export shown in our table for 2007, is a consequence of a fire which destroyed the processing plant located in San Vicente, Region VI. The plant stayed out of production from November 26, 2006 through September 2007. This company represents over 50% of domestic production.

Domestic consumption of poultry meat grew another 11 percent in 2006 and became the most important source of animal protein in Chile. In 2006 the presence of foot and mouth disease in Argentina and Brazil resulted by a significant fall of beef imports, leading to higher prices for beef. Per capita consumption of poultry meat in 2006 was 33.9 kilos, followed by pork with 22.5 kilos and beef with 22.0 kilos.

Source: USDA Foreign Agricultural Service Attaché Report; Chile Ministry of Agriculture, Office of Agrarian Studies and Policies

<sup>\*\*</sup>UK United Kingdom

<sup>\*\*\*</sup>includes Montenegro

#### **INSPECTED EGG PRODUCTS-**

#### U.S. & CANADA IMPORT/EXPORT TRADE U.S. Exports to Canada, in Pounds (000) (Preliminary)

Week Endin	g December 2	29, 2007	Year-To-Date				
Type	2007	2006 /1	2007 /2	2006			
Liquid	0	257	3,325	12,247			
Frozen	0	0	71	175			
Dried	68	0	909	747			
Total	68	257	4,305	13,169			

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Endi	ng December	Year-To	-Date	
Type	2007	2006 /1	2007 /2	2006
Liquid	163	112	15,964	5,719
Frozen	4	3	412	919
Dried	0	0	857	66
Total	167	115	17,233	6,704

**Inspected Shell Eggs** U.S Exports to Canada, In 30-Dozen Cases (Preliminary)

Week Ending December 29, 2007			Year-To-Date		
	2007	2006 /1	2007 /2	2006	
Jumbo	0	0	0	150	
Ex Large	1,556	1,265	67,011	93,536	
Large	5,480	3,190	125,723	184,998	
Medium	600	1,798	64,641	88,800	
Ungraded	1,560	0	217,468	256,158	
Misc	0	0	7,849	6,975	
Total	9,196	6,253	482,692	630,617	

/1 Comparable Week, to-date figures may not total due to rounding.

/2 Includes revisions to previous week(s)

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Source: USDA AMS Poultry Programs, Market News & Analysis

# **U.S./Canadian Live Poultry Slaughtered Under Inspection**

Week Ending December 29, 2007 (Preliminary)

Wook Enaing Dook	JIIIDOI 20, 2007	(i iominiary)							
U.S. fowl slaughtered domestically									
	Light Hens	Heavy Hens	Total Hens						
Thousands									
Head	767	973	1,740						
Last Week	1,475	1,570	3,045						
Same week yr ago	1,056	782	1,838						
To-date/2007	57,751	75,786	133,537						
To-date/2006	55,722	76,740	132,462						
	U.S. fowl slaug	htered in Canada							
	Light Hens	Heavy Hens	Total Hens						
	Thous	ands							
Head	50	0	50						
Last Week	375	0	375						
Same week yr ago	78	0	78						
To-date/2007	13,584	58	13,642						
To-date/2006	8.052	53	8.105						

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section Total U.S. fowl slaughtered in the U.S. and Canada

	Light Hens	Heavy Hens	Total Hens					
	Thousands							
Head	817	973	1,790					
Last Week	1,850	1,570	3,420					
Same week yr ago	1,134	782	1,916					
To-date/2007	71,335	75,844	147,179					
To-date/2006	63,774	76,793	140,567					
Source: USDA AMS Poultry Programs, Market News & Analysis Branch								

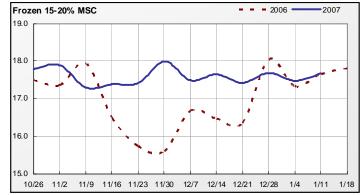
### NATIONAL MECHANICALLY SEPARATED CHICKEN

(FOB Shipper Dock or equiv., negotiated prices in trucklot and less-than-trucklot volumes reported in thousand lb. quantities, cents/lb.; delivery within 2 weeks.)

The MSC trade sentiment was steady with prices unchanged. Supplies were adequate to available on fresh 15-20% and barely adequate to close on the remainder for current needs. Domestic movement was light to fair at best. Export demand was fair to moderate. 2008 contracts transitioned smoothly for most. Schedules were normal.

Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

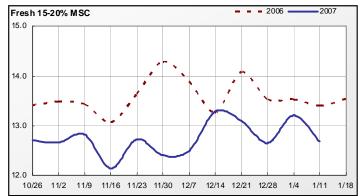
	Frozen			Fresh			
Fat Content	11-Jan-08	Last Week	Last Year	11-Jan-08	Last Week	Last Year	
15% or Less							
Price Range	15.50	15.50	16.50-17.00	15.00 - 16.00	15.00 - 16.00	16.50-17.50	
Wtd Avg Price	15.50	15.50	16.71	15.77	15.67	17.05	
Volume Traded	53	54	468	341	361	401	
Volume Exported	53	54	268	-	-		
15-20%							
Price Range	16.00 - 21.00	16.00 - 21.00	15.50-21.00	11.00 - 16.00	11.00 - 16.00	11.00-16.00	
Wtd Avg Price	17.67	17.47	17.65	12.67	13.21	13.40	
Volume Traded	1,920	1,663	1,376	1,772	2,420	2,070	
Volume Exported	1,800	1,543	1,096	624	216	580	
20% or More							
Price Range	-	-				14.00	
Wtd Avg Price						14.00	
Volume Traded	-	-		-	-	160	
Volume Exported	-	-		-	-		



#### Monthly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

	Frozen			Fresh		
Fat Content	Nov 2007	Oct 2007	Nov 2006	Nov 2007	Oct 2007	Nov 2006
15% or Less						
Wtd Avg Price	16.76	18.12	16.55	15.67	15.82	16.57
Volume Traded	1,234	1,141	292	2,494	2,160	1,346
Volume Exported	1,234	1,101	54	104	428	-
15-20%						
Wtd Avg Price	17.53	18.04	16.67	12.54	12.68	13.40
Volume Traded	12,989	6,330	8,406	15,504	9,634	6,437
Volume Exported	12,305	5,490	7,604	5,429	3,347	653
20% or More						
Wtd Avg Price	-	-	-	14.00	13.91	13.42
Volume Traded	-	-	-	240	442	480
Volume Exported	-	-	-	-	-	-

Note: Volume exported refers to that portion of the total volume that is destined for export markets



<u>NATIONAL YOUNG TURKEY PARTS</u>, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 11 JANUARY 2008.

The market tone on tom breast meat, breast trim and destrapped tenderloins steady to barely steady, balance of white meat steady. Demand was light, instances moderate. Offerings of fresh and frozen tom breast meat was adequate. Offerings of white meat was adequate. The market tone on tom bulk parts was steady to barely steady. Demand was light to moderate. Retail feature activity is light as retailers focus more attention on other meats and seafood. Ground turkey promotions with prices are sharply lower this week, but grinds are heavily promoted through "buy one get one free" ads.

EXPORT TRADING FRIDAY, JANUARY 11, 2008 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE 56.50-59.00 47.00	L.S.T. CODE 1/ W R R	WTD AVG PRICE 57.55 47.00 59.00 26.00 18.00 97.00	VOLUME (000) 552 108 312 15 54 80	WEEKLY WTD AVG PRICE 57.59 47.20 59.00 26.95 18.00 96.78	WEEKLY VOLUME (000) 792 402 312 285 54 185
EXPORT TRADING THURSDAY, JANUARY 10, 2008 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE 54.00-57.50 47.00-48.00 26.00 18.00 97.00	L.S.T. CODE 1/ W	WTD AVG PRICE 55.75 47.33 59.00 26.00 18.00 97.00	VOLUME (000) 80 242 312 15 54 25		
EXPORT TRADING WEDNESDAY, JANUARY 09, 2008 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE 60.00 47.00 59.00	L.S.T. CODE 1/ T M	WTD AVG PRICE 60.00 47.00 59.00 27.00	VOLUME (000) 52 52 312 270		
EXPORT TRADING TUESDAY, JANUARY 08, 2008 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE 26.00-29.00	L.S.T. CODE 1/ M F	WTD AVG PRICE 58.00 47.00 27.00	VOLUME (000) 108 108 270		
EXPORT TRADING MONDAY, JANUARY 07, 2008 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE 55.00-61.00	L.S.T. CODE 1/ F F	WTD AVG PRICE 58.00 47.00 28.67 96.50	VOLUME (000) 108 108 120 80		

<sup>1/</sup> CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R-THURSDAY F=FRIDAY 2/ Product contains 15/20% fat with skin added.